



State of Idaho

DEPARTMENT OF WATER RESOURCES

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C.L. "BUTCH" OTTER
Governor

Gary Spackman
Interim Director

May 24, 2010

Gary Leuzinger
Sent via electronic mail

Re: Your E-mail of 4/29/2010 Concerning Water District 75-A Watermaster Appointment and Assessment Issues

Dear Mr. Leuzinger,

This letter is made in response to your e-mail correspondence of April 29, 2010, which is attached to this letter as reference. Your e-mail raises questions both about the need for a winter watermaster in the district as well as the method of district assessments. In response to your inquiry, I asked Bob Foster of our Salmon Area Field Office to review recent water district records in order to gain a better understanding of assessment methodology and make potential recommendations to the water district. Bob's memo dated May 13, 2010 is attached. I understand Bob provided you a copy of the memo already.

I concur with the recommendations made by Bob Foster in his memo. Based on his review of the records, my own limited and partial review of recent records, and further discussion with Bob, I wish to make some additional observations and recommendations:

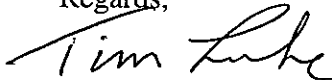
- The Department cannot discern from the records what the winter watermaster really does and/or why there is a particular need for a winter watermaster. Are there particular water delivery issues in the winter? We found in the records some meter recordings for Arrowhead but no similar recordings for the City of Salmon. If there is a winter watermaster we believe that water use records should be reported for both entities. If a specific need cannot be identified for a winter watermaster other than just collecting and recording winter water use for Arrowhead and the City, then the district should adopt the recommendation in Bob's memo. The Department also recommends that the two entities could supplement the watermaster readings with monthly meter readings that are submitted to the watermaster before the next irrigation season.
- As Bob notes in his memo, it appears based on review of the records that the cost of the winter watermaster service is split 70-30 between the City and Arrowhead. We understand that the 70-30 split may be based on agreement by the users at the annual meeting but there are no specific or clear meeting resolutions and/or annual meeting minutes that specify this

assessment methodology. The district must adopt specific resolutions or motions at the annual meeting, which are clearly documented, regarding the watermaster's term of service and methods of assessments. If in fact the 70-30 split is the method that has been adopted at the annual meeting, then that is the method that needs to be accepted by the winter users for past season assessments. In terms of going forward for this coming year and subsequent years, we again question the need for a winter watermaster but if one is found to be required, then we recommend that the cost be based on actual water use or delivery in accordance with Chapter 6, Title 42 of the Idaho Code.

- Review of the records also indicates that summer water use records are not being maintained very well, if at all. Assessments appear to be based on water right delivery rates over the length of the season. The Department recommends that actual delivery records be kept and reported, and that assessments be based on delivery records. We recommend that measurements be made on a weekly basis or more frequently if users demand more or less water. Costs potentially could be minimized with some level of water user reporting to the watermaster. Given that Arrowhead and the City have metered diversions or records, then there may be some flexibility with respect to the frequency of watermaster visits needed for those diversions. We understand that the district's budget may not be adequate to maintain the watermaster expenses needed to provide the necessary measurements. The Department believes a \$500.00 budget for a summertime watermaster is probably inadequate. The budget should be increased if the district is to operate in accordance with Idaho law.
- Attached to this letter are some suggested resolutions that the district may consider for the annual meeting. The attached document is really just a template of common or standard type resolutions that are used in many other water districts in the state. The district may consider the attached resolutions or modify the resolutions as they see fit. Whatever resolutions or decisions are made at the meeting, they must clearly be documented as adopted resolutions and incorporated in the annual meeting minutes.

I understand that Bob Foster will attend the special meeting tomorrow. Please contact me directly at 208-287-4959 (w) or 208-559-5902 (c), of Bob if you have further questions concerning this matter.

Regards,



Tim Luke
Water Distribution Section

Encl: Gary Leuzinger E-mail of April 29, 2010; Bob Foster Memorandum dated May 13, 2010;
IDWR Suggested Water District Resolutions Template

Cc: Bob Foster, IDWR Salmon Field Office
Dale Edwards, WD75-A Secretary/Treasurer
IDWR Eastern Region

Memorandum

Date: May 13, 2010

To: Tim Luke

From: Bob Foster

Re: WD-75A assessments

In response to Gary Leuzinger's e-mail regarding WD-75A assessments to Arrowhead Water District, I have reviewed WD-75A water master reports from 2005 to 2009.

It appears the method the district is using to assess is to multiply the water right by the number of days in the irrigation season to determine the 24 hour second foot amount. The water master salary is then divided by this amount to arrive a cost per second foot. There is no evidence that actual measurements are being taken except for meter readings taken for Arrowheads winter water use. This results in a wide range of dollar amounts for assessments ranging from less than \$2.00 to over \$900.00 depending on water right. To further complicate matters I am not sure how the water master could determine a cut off date for junior water rights if he is not taking actual measurements.

Mr. Leuzinger's concern over the winter water master salary may be valid as far as the current assessment method being used. The winter salary is \$500.00 and is split 70/30 between the City of Salmon and Arrowhead Water District, if the current method were to be used for winter delivery the assessment to Arrowhead would be less than \$50.00, $(.40 \text{ cfs} \times 182 \text{ days} = 72.8 \text{ 24 hr second feet} \times .257 \text{ (cost per second foot)}) = \18.70 . The issue I see here is that the water user's voted to have a winter water master and approved the salary at the annual meeting. I am a bit unclear as to the voting method as there are only two winter users, Arrowhead and the City of Salmon. I do not see a reason for all user's to vote on this issue unless they are being assessed for winter use.

I would suggest the following possible solutions to resolve Mr. Leuzinger's concerns:

- Assess by actual amount delivered

This would provide a clearer picture of the amount of water being used by each user. There are adequate measuring devices in place. This may increase the cost for a water master.

- Set a minimum fee

A minimum fee of not more than \$50.00 would provide additional revenue to pay for increased water master costs if such costs were incurred. The fee could be a tiered fee set by water right amount.

- No winter water master

The need for a winter water master could be eliminated by having the summer water master take a meter reading for Arrowhead and the City at the end of the irrigation season and then again at the beginning of the next irrigation season. The winter cost to these two users could be determined by that method.

I will be attending the special meeting on May 25, 2010, and will offer these suggestions at that time.

Luke, Tim

From: GARY LEUZINGER [gbgv16a@yahoo.com]
Sent: Thursday, April 29, 2010 8:51 PM
To: Luke, Tim
Cc: railrider@centurytel.net; laura edwards
Subject: District 75-A Water Charges!

Tim RE. Arrowhead charges for Wintertime Watermaster

As a follow up to our conversation Thursday Attached is a copy of the 2009 Watermaster's report from which the current budget is derived and a copy of the memo that was presented to the Watermaster last year prior to developing this years budget. This was done in this manner so that the Budget would not have to be redone. Arrowhead as one of the two Winter time water users on Jessie Creek do not believe a separate wintertime Watermaster is required but to this point have not been able to convince the other water users.

Since the District's decision is to retain a separate Winter time Watermaster Arrowhead then Arrowhead must insist the charges be made in compliance with Title 42, Chapter 6, Section 42-612 (3) and the applicable Section 42-606 Watermaster guidance.

Please note the following from the .

1. Arrowhead WR 75-19D is listed in the current attached Watermaster Report as consuming 55 24 hour second feet of summer time use with an additional 9 added in for winter time use. This I believe would equate to approximately 128 af. Arrowhead WR 75-21 is listed as 18 24 hour second feet summer time use with an additional 5 wintertime use. This equates to approximately 46 af or a total combined 174 af. These rights combined are limited to 54.17 af and are monitored carefully not to exceed these limitations. Please verify this by reviewing previous 10 years Watermaster Reports that include meter readings for volume for the two rights.
2. City WR 75/26A (.3 cfs), 75-10075 (2.26 cfs), 75-10076 (1.7 cfs) and City permit 75-7563 (5 cfs) add up to 9.26 cfs or about 23 times the Arrowhead cfs. It must also be noted that all City cfs listed here are currently w/o any af limitations while Arrowhead is limited to an annual 54.17 cfs.
3. Arrowhead is limited to service to 14 homes while the City services approximately 1400 homes and businesses during the winter season while being assessed 30 percent of the Winter season Charges.

I believe that it can reasonably be established that Arrowhead Winter time water use that is metered and comes through a 2 in pipe is less than 10% of the Cities use that is fed to the water plant by a 16 in pipe.

We believe that Dale Edwards selection as District 75-A Secretary is a positive development. Two years ago the Secretary and both Winter and Summer Watermasters were City employees.

Please advise as to your decision and guidance.

Thanks

Gary Leuzinger

WATER DISTRICT NO. 75-A
Jesse Creek and Tributaries
2010 PROPOSED RESOLUTIONS

The water users of Water District No. 75-A, as part of the special water district meeting meeting held on May 25 , 2010, at the _____ in Salmon, Idaho, HEREBY ADOPT THE FOLLOWING RESOLUTIONS:

1. WATERMASTER DUTIES

The Watermaster shall perform his or her duties as required by Chapter 6, Title 42, Idaho Code and in accordance with:

- a. Direction and guidance provided by the Director of IDWR;
- b. The annual water district resolutions adopted herein.

2. ELECTION OF WATERMASTER

It is herewith resolved that _____ be elected as watermaster for Water District No. 75-A for the ensuing year.

3. RESOLUTION REGARDING WATERMASTER TERM OF SERVICE

As provided in Idaho Code § 42-608(4), the Water District 75-A watermaster's term of service shall begin upon appointment by the Director of IDWR immediately following the special meeting election and continue until the next annual meeting, or until a successor is appointed and qualified under the provision of Section 42-604, Idaho Code.

4. BUDGET MATTERS

5a. 2010 BUDGET

It is herewith resolved that the 2010 operating budget for Water District No. 75-A is as follows:

Watermaster Wages)	\$
Secretary/Treasurer Wages (flat fee)	\$
FICA/Medicare/Workers Comp (est. 13.6%)	\$
Vehicle Mileage (est. ____ miles/week @ \$0.55/mi.)	\$
Office Supplies/misc	\$
Contingency/Reserve	\$
Total	\$

* Budget line item totals shown are estimates; actual line item costs may vary, but the total expense for the water district cannot exceed \$____ prior to the 2011 annual meeting.

5b. ASSESSMENTS

1. It is herewith resolved that the adopted budget for Water District No. 75-A be collected from the water users by the Water District No. 75-A _____ (Watermaster or Treasurer) as provided by Idaho Code § 42-618. The _____ (Watermaster or Treasurer) will make an assessment to each water right holder, except those holders of water rights meeting the criteria in item 3 below, in pro-rata amounts. All funds shall be

deposited in a bank account maintained by the Water District. The _____ (Watermaster or Treasurer) shall prepare annual assessments after the water users present at the special meeting have formally adopted the budget.

2. Whereas Idaho Code Sections 42-612 and 42-615 require that proposed water district budgets and annual assessments to individual right holders be prorated based upon the amount of water delivered or used by individual right holders during the past season or seasons (not to exceed five seasons) and, whereas no records of water delivery currently exist in the newly created Water District 75-A; it is therefore resolved that Water District 75-A will estimate annual water use for all irrigation rights using the following formula:

Estimated seasonal use (total 24 hr-cfs) = Total authorized water right diversion rate (cfs) multiplied by ___ days per season

Estimated annual water use for municipal and other non-irrigation consumptive use water rights shall be based on actual records of water use as recorded using installed flow meters (meters read by watermaster and/or supplemented by user readings reported to watermaster) , subject to approval by the watermaster and IDWR.

3. Surface water rights that are used solely for domestic and stock water purposes or other small uses that are consistent with the use limits defined by Idaho Code Section 42-111 shall be exempt from any water district assessments.

5c. MINIMUM USER ASSESSMENTS

It is herewith resolved that a minimum charge of \$_____ per water right owner shall be assessed. Whenever the prorated charge to a user is less than \$_____, that user will be assessed \$_____.

It is further resolved that holders of non-consumptive water rights in excess of 0.04 cubic feet per second (cfs), including but not limited to water rights used for hydropower or fish propagation purposes, shall be subject to a minimum assessment of \$_____.

5d. FINAL ASSESSMENT DETERMINATION

It is herewith resolved that, in accordance with Idaho Code § 42-612 (5), the assessment amount for each user as shown in the 2010 adopted budget shall constitute a final determination of the amount due for 2010.

5e. DISTRICT PAYMENT TERMS

It is herewith resolved that the following payment terms be put into effect:

1. Assessments shall be payable within thirty (30) days of the billing date. The postmark date will be considered the date of payment. Accounts not paid within thirty (30) days shall be charged in accordance with Idaho Code § 42-613 which provides for a late fee of 10% of the amount due and interest of 1% per month.
2. The Watermaster is authorized pursuant to Idaho Code Section 42-618, to withhold or suspend deliveries of water to any water user who has not paid their assessment charges within 60 days of the billing date.

5. ELECTION OF A DISTRICT TREASURER

It is herewith resolved that _____ be appointed as secretary/treasurer for Water District No75-A until a successor is elected and appointed. The duties of the treasurer will be to approve expenses and disburse water district funds, and to prepare or authorize a review of financial affairs of the district at the end of each fiscal year, in accordance with Idaho Code § 42-619.

6. ADVISORY COMMITTEE STRUCTURE

It is herewith resolved that an advisory committee shall be selected to provide input to the watermaster and the Director of IDWR. The advisory committee will meet as often as needed to address the structure, governance and operation of the district. ____ water users shall comprise the advisory committee, which shall include (specify how committee is composed if necessary or desirable). The advisory committee members for the ensuing year shall be the following (to be selected at the meeting):

Member #1: _____

Member #2: _____

Member #3: _____

Member #4: _____

Member #5: _____

7. VOTING BY ALTERNATIVE METHOD

It is herewith resolved that in the event that a vote by the alternative method (as described in Idaho Code § 42-605(4)) is requested during any annual meeting, a credentials committee will be assembled to determine the number of votes cast by individual water users. The credentials committee shall be composed of the following parties:

- the current Water District No. 75-A Watermaster
- the current Water District No 75-A Secretary/Treasurer
- one member of the Water District No. 75-A Advisory Committee appointed by the meeting chairman

If either or both the watermaster or secretary/treasurer are not present, the meeting chairman may appoint a replacement from either the advisory committee or from the water users present at the meeting

8. ANNUAL MEETING DATE

It is herewith resolved that the Annual Meeting for Water District 75-A shall be held on the ____ of ____ March of each year at a time and place to be determined each successive year unless the Director of IDWR should find it necessary to change the meeting date or unless changed by resolution of the district at any annual meeting. The next Annual Meeting will be held on ____, 2011.

10. ANNUAL MEETING MINUTES AND REPORTS OF THE WATERMASTER AND WATER DISTRICT

- a. Copies of the minutes of the annual meeting, the budget as approved, all resolutions approved, and any report prepared in accordance with Idaho Code § 42-615, shall be filed with the director of the Department of Water Resources immediately after the annual meeting in accordance with Idaho Code § 42-617.
- b. The watermaster of Water District 75-A shall be responsible for submitting to IDWR annual reports showing water use and such other information that may be deemed necessary by the Director of IDWR in accordance with Idaho Code § 42-606, § 42-708, and § 42-709.

11. WATERMASTER ACCESS TO CONTROL STRUCTURES AND MEASURING DEVICES

Whereas watermaster access to control structures and measuring devices is essential for providing watermaster services and limiting expense, it is herewith resolved that all users shall provide for watermaster access where access to control structures and measuring devices is through a locked gate and

other reasonable means of access are not available. The user shall, upon request by the watermaster, provide to the watermaster a key or combination to any such locks.

12. ENTRY ON LANDS BY WATERMASTER

It is herewith resolved that the watermaster and any watermaster assistants are authorized as employees of IDWR under Idaho Code § 42-1701(5) to make reasonable entry on lands within the district, in accordance with IDWR policy, to carry out the duties of the watermaster as instructed by IDWR. These duties include but are not limited to:

- a. Inventory of diversions in the district, including inspection of conveyance infrastructure and place of use of water.
- b. Measuring and recording rates of diversions, and regulating diversions as necessary from the surface water sources within the district.
- c. Monitoring the place, period, and nature of use of water to identify unauthorized diversion and use and/or to determine compliance required by any agreement or order of IDWR.